

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF IOWA**

In re:)	
)	Chapter 11
MERCY HOSPITAL, IOWA CITY, IOWA, <i>et al.</i> ,)	
)	Case No. 23-00623 (TJC)
Debtors.)	
)	(Jointly Administered)
)	

NOTICE OF SALE AND SALE HEARING

PLEASE TAKE NOTICE that the above-captioned debtors and debtors in possession (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Northern District of Iowa (the “Court”) on August 7, 2023 (the “Petition Date”).

PLEASE TAKE FURTHER NOTICE that, on June 24, 2024, the Debtors filed a motion (the “Sale Motion”)¹ with the Court seeking entry of an order, among other things, approving (a) the sale (the “Sale”) of all of Debtor Mercy Hospital, Iowa City, Iowa’s 51% interest (“Mercy’s Interest”) in Eastern Iowa Rehabilitation Hospital, L.L.C. f/k/a Central Iowa Rehabilitation Hospital, LLC, an Iowa limited liability company (the “Rehab Joint Venture”) to LPNT Development 7, L.L.C. f/k/a Kindred Development 7, L.L.C. (“LPNT”) and (b) the form and manner of notice related to the Sale.

Obtaining Additional Information

Copies of the Sale Motion, as well as all related exhibits, including all other documents filed with the Court, are available free of charge on the Debtors’ case information website, <https://dm.epiq11.com/mercyhospital>.

Important Dates and Deadlines

- (i) **Sale Objection Deadline.** The deadline to file an objection with the Court to the Sale is **July 15, 2024** at 10:00 A.M. Central Standard Time (the “Sale Objection Deadline”).
- (ii) **Sale Hearing.** A hearing (the “Sale Hearing”) to consider the proposed Sale will be held telephonically before the Court at **10:30 A.M. (prevailing Central Time) on Thursday, July 18, 2024**, at 111 7th Avenue, SE, Cedar Rapids, Iowa 52401.

All parties wishing to participate may use the following dial in instructions:

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Sale Motion.

1. Call the toll-free number: 1-888-684-8852.
2. Enter Participant Access Code: 7148063
3. Enter the Participant Security Code: 1234
4. After the security code is entered, you will be connected to the conference.
5. Please identify yourself after you join the conference.

This hearing will be digitally recorded.

Filing Objections

Objections to the Sale, if any, must be filed with the Clerk and served on the United States Trustee, the Debtors' and counsel to the Debtors by the Sale Objection Deadline. Timely filed objections to the Sale will be set for hearing at the Sale Hearing. If no timely objections are filed, the Court may enter an order approving the Sale **without** conducting the Sale Hearing and the Debtors may submit such order to the Court for consideration.

CONSEQUENCES OF FAILING TO TIMELY ASSERT AN OBJECTION

Any party or entity who fails to timely make an objection to the Sale on or before the Sale Objection Deadline in accordance with this Notice shall be forever barred from asserting any objection to the Sale, including with respect to the transfer of the assets free and clear of all liens, claims, encumbrances and other interests.

NO SUCCESSOR LIABILITY

For more information on the Debtors' business or their products, refer to the First Day Declaration (available on the Debtors' case information website). Upon Court approval, the Sale will be free and clear of, among other things, any claim arising from any conduct of the Debtors prior to the closing of the Sale, whether known or unknown, whether due or to become due, whether accrued, absolute, contingent or otherwise, so long as such claim arises out of or relates to events occurring prior to the closing of the Sale. Accordingly, as a result of the Sale, LPNT will not be a successor to any of the Debtors by reason of any theory of law or equity, and LPNT will have no liability, except as expressly provided in the Purchase Agreement, for any liens, claims, encumbrances and other interests against or in any of the Debtors under any theory of law, including successor liability theories.

[Remainder of This Page Intentionally Left Blank]

Dated: Des Moines, Iowa
June 24, 2024

/s/ Kristina M. Stanger
NYEMASTER GOODE, P.C.
Kristina M. Stanger, AT0000255
Matthew A. McGuire, AT0011932
Dana Hempy, AT0014934
700 Walnut, Suite 1600
Des Moines, IA 50309
Telephone: 515-283-3100
Fax: 515-283-8045
Email: kmstanger@nyemaster.com
mmcguire@nyemaster.com
dhempy@nyemaster.com

Roy Leaf, AT0014486
625 First Street SE, Suite 400
Cedar Rapids, IA 52401-2030
Telephone: (319) 286-7002
Facsimile: (319) 286-7050
Email: rleaf@nyemaster.com

- and-

MCDERMOTT WILL & EMERY LLP
Felicia Gerber Perlman (admitted *pro hac vice*)
Daniel M. Simon (admitted *pro hac vice*)
Emily C. Keil (admitted *pro hac vice*)
444 West Lake Street, Suite 4000
Chicago, Illinois 60606
Telephone: (312) 372-2000
Facsimile: (312) 984-7700
Email: fperlman@mwe.com
dsimon@mwe.com
ekeil@mwe.com

- and -

Jack G. Haake (admitted *pro hac vice*)
2501 North Harwood Street, Suite 1900
Dallas, TX 75201
Telephone: (214) 295-8000
Facsimile: (972) 232-3098
Email: jhaake@mwe.com

Counsel for Debtors and Debtors-in-Possession

Certificate of Service

The undersigned certifies, under penalty of perjury, that on this June 24, 2024, the foregoing document was electronically filed with the Clerk of Court using the Northern District of Iowa CM/ECF and the document was served electronically through the CM/ECF system to the parties of this case

/s/ Kristina M. Stanger